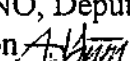




March 9, 1999


FROM: ALVIN P. SOLIS, Director  
Development Department

BY: NICK P. YOVINO, Deputy Director  
Planning Division 

SUBJECT: WORKSHOP ON STRATEGIES FOR ADOPTING  
AN URBAN BOUNDARY GROWTH LIMIT

AGENDA ITEM NO. 10:00 am  
COUNCIL MEETING 3/9/99

APPROVED BY

DEPARTMENT DIRECTOR CITY MANAGER 

## BACKGROUND

In January, Council requested that information be brought back regarding potential strategies for imposing urban boundaries. Staff reviewed the information provided by Councilmember Perea and the City Manager for the January 26 Council item, as well as publications by the Greenbelt Alliance, the California Little Hoover Commission, the Building Industry Association, the National Association of Homebuilders, Bank of America ("Beyond Sprawl"), and The Growth Alternatives Alliance.

Attachments to this report summarize urban growth controls adopted by Ventura County and some of its cities (Camarillo, Moorpark, Oxnard, and Simi Valley); the State of Oregon's comprehensive planning program (with reference to the Portland area); a possible new alternative for the Fresno area (allowing Fresno County to set the City's urban growth boundaries through the County's General Plan Update); and the City of Fresno's current multi-approach urban growth control strategy. Benefits and drawbacks ("pros and cons") for each alternative are also listed.

In reviewing the literature, some common principles have been found to apply when urban growth limits are set:

- **Statewide, regional, or county-wide regulation/cooperation is needed for city (or metropolitan area) urban growth limits to work. All the participating jurisdictions need to share common goals and objectives for the growth-limiting process.**

A city which attempts to restrict its own growth in a region where other jurisdictions do not restrict growth will still have the negative image and negative impacts of being in an area of urban sprawl. Subdivisions, rural residential areas, "new towns," "planned communities," and "edge cities" (smaller cities which grow and expand) outside of the urban boundary of a growth-controlled city still appear as, and function as, extensions of the city's urban development. If infrastructure outside of growth-controlled cities is funded or built by a state or other jurisdiction, such infrastructure will foster growth and development in those outside areas.

## REPORT TO THE CITY COUNCIL

Workshop on Strategies for Adopting an Urban Boundary Growth Limit

March 9, 1999

Page 2

A growth-controlled city in a non-growth controlled region has little ability to regulate what happens beyond its established boundaries. Cities' input on development in surrounding jurisdictions is limited to participation in planning reviews and hearings. Cities can only request or litigate for mitigation of impacts through the California Environmental Quality Act (CEQA) and the review process for plans and development projects.

These factors make regional control/cooperation essential to creation of any functional program to set urban boundary limits. The examples attached to this report have been referenced as successful urban boundary limiting programs because they involve regulation at the County or State level.

- **The goals and objectives of an urban growth limiting strategy need to be clear, well thought out, and integrated into the overall planning process.**

A city or county which proposes to limit its area(s) of urban growth needs to clearly state the major public purposes to be served by the growth limits, and then needs to tailor its general plan, infrastructure/service plans, and urban boundary lines (Sphere of Influence) to meet those purposes.

Goals need to be balanced so that a single purpose does not thwart other planning principles, because a plan needs to meet a broad range of objectives. For instance, a growth control program that conserves prime farmland without regard to other planning considerations will not create a very functional process for building out the city.

This array of other planning considerations includes (but may not be limited to) the need for logically-configured and contiguous extensions of urban areas; the need to appropriately locate and support urban focus areas such as downtowns, industrial parks, and commercial centers; the availability of water supplies to support existing development and new growth; the need for adequate sewer collection and treatment infrastructure; the need to provide street capacity for adequate traffic circulation; the feasibility of providing mass transit; the availability of energy supply and transmission facilities; avoidance of high-hazard areas such as floodplains and landslide-prone areas; natural habitat conservation; air quality impacts from mobile and stationary sources; compliance with housing elements and state housing laws; and the need to consider real estate market forces.

Programs aimed at limiting urban growth have to consider this wide variety of factors in the goal-setting and delineation process. Otherwise, development costs will be unduly increased in any city whose growth controls are not well-thought-out: job creation and affordable housing efforts could be stifled. Environmental reviews of plans and projects can be complicated and mitigations can be burdensome.

Since urban growth limitations are best imposed after wide-ranging review of regional conditions and needs, ideal times to set limitations are during General Plan updates and utility master planning processes.

- **Growth limits need to be fiscally-oriented as well as geographic.**

The groups which have studied growth controls have noted that urban expansion is best slowed when fringe growth is required to pay its full share of infrastructure and service extension costs. Otherwise, there is be "leapfrog" development *within* an urban growth boundary, as some types of development rush to establish themselves at "the edge."

Conversely, the development community expects that limits on expansion of an urban area will be balanced by making development easier within a delineated urban area, through a faster and less restrictive approval process and programmatic-level environmental reviews that allow for less exhaustive review of each individual project.

- **Over time, restrictive urban growth limits can redirect development outside of a tight urban boundary and increase housing costs within the urban boundary.**

This unintended consequence has eventually been observed in every area where urban growth limits have been imposed. Leapfrog development that hops over urban limit lines is an effect of market forces, predictable by the law of supply and demand.

When the supply of developable land within an urban boundary becomes smaller, land prices increase. Elevated land prices are carried forward into the price of the finished homes.

Market forces which foster a shift of development to areas outside of a growth-controlled city also operate at the level of personal choices. People who want, and can afford, to have a single-story 3,000 square foot house on an 8,000 square foot will relocate to where this is available. People are aware of home prices and monthly mortgage payments, but tend not to keep track of, estimate, or worry about their commuting expenses when buying a home.

There are corollary impacts from forcing development to shift outside of urban boundaries:

- Development shifts to other communities--other cities nearby, counties around the city, or even across state lines--where there may be less restrictive growth control and developable land is more available and cheaper.
- If jobs remain within the growth-controlled cities (if its industries don't move away, which sometimes happens from elevated siting and development costs), there are

more and longer commute trips in and out of the growth-controlled city, and congestion on roadways linking such areas. (Mass transit and road construction never seems to be coordinated between jurisdictions which have not also been able to coordinate their growth control). Due to this commute traffic, the growth-controlled city suffers from regionally increased air pollution and the roads leading to and from the growth-controlled cities are seldom developed sufficiently to handle this commute traffic.

- Residential densities within the growth-controlled city tend to increase. This is generally desirable to the extent that it prevents land from being used inefficiently.

But increased density can reach a point of diminishing returns when traffic congestion reaches untenable levels due to insufficient and/or inconvenient mass transit within the city, when major infrastructure needs to be constructed or upgraded to support higher densities, when schools are impacted by overcrowding (with no new land set aside for school sites), when recreational open space becomes too expensive to acquire, when population densities increase crime in an area without a commensurate increase in law enforcement staff and detention facility capacity, and when taller buildings built more densely complicate fire suppression efforts.

Inserting higher-density housing into established neighborhoods also engenders conflicts between existing residents and the developers and public officials who are trying to implement the growth-controlled city's policy of increasing density to conserve land.

- **Growth limits have to be responsive to population growth, and require periodic adjustment.**

Urban growth has to be recognized as being a function of population increase in a city. Population increase is, itself, a function of job creation, birth rate, and other factors. Strategies limiting urban growth delineate boundaries for urban-type development, and often require development to pay its own infrastructure costs as a brake on the rate of land consumption at city fringes--such strategies do not seek to limit job creation or the birth rate. In recognition of this tendency toward population increase, urban boundary limits are not so rigid as to preclude expansion of a city over time.

In California, county Local Agency Formation Commission (LAFCO) agencies consider requests to expand the spheres of influence of cities and municipal service districts. Where other, more restrictive growth controls have been enacted, governing bodies may adjust and increase urban boundaries based on specified considerations, or special elections may be required and the electorate may reserve the right to determine whether urban limit lines are increased.

REPORT TO THE CITY COUNCIL

Workshop on Strategies for Imposing an Urban Boundary Growth Limit

March 9, 1999

Page 5

Even in Oregon, where regional planning and urban limit lines are mandated by statewide law, metropolitan area regional commissions and the state land use authority are empowered to enlarge urban growth boundaries. Numerous expansions of Oregon cities' urban growth limits have been approved.

It needs to be noted that the City of Fresno has already benefitted from significant growth control policies in its current (1984) General Plan, community plans, and Master Service Delivery Plans of the City and of special service districts within the City's Sphere of Influence (e.g., the Fresno Metropolitan Flood Control District).

These growth controls include the 1983 Joint Resolution on Metropolitan Planning (an agreement with Fresno County and the City of Clovis); Urban Reserve areas and policies delineated in the Edison, Fresno High-Roeding, McLane, and Woodward Park Plan areas; the citywide Urban Growth Management fee structure for fringe development; the city's restriction of sewer service outside of established Trunk Sewering Areas; agricultural land conservation policies; and development policies relating to hazard areas (floodplains and the bluffs of the San Joaquin River).

Fresno's growth (and consumption of agricultural land) is further constrained by annexation procedures established in 1988 by LAFCO, and by LAFCO's removal of the Malaga area from the City's Sphere of Influence (also in 1988).

The Fresno Metropolitan Area (the area within the City's Sphere of Influence, which includes unincorporated fringes and County islands) has a 1999 population of some 445,000 in a developed and developable area of some 130 square miles (the 140-square mile Sphere of Influence for the City of Fresno, less the set-aside Urban Reserve areas). Fresno's 1999 overall population density is 3,423 persons per square mile.

Fresno's 1999 population density is almost exactly equal to the 1990 national average for large urbanized areas (that average was 3,406 persons/sq. mi.). Fresno's current population density is close to that of San Diego, which had 3,403 persons/sq. mi. as of the last Census. San Diego ranked tenth in the 1990 listing of densities among U.S. urbanized areas having over 1,000,000 population, next after Philadelphia, Pennsylvania (3,627 persons/sq. mi.).

Since 1983 (the time when the last General Plan was written), the City of Fresno has doubled the population contained within its incorporated boundaries, while increasing its total incorporated area by less than 5%.

It would appear that the City of Fresno has used its land resources responsibly and has given appropriate consideration to its location within an area of high-value agricultural land. This accomplishment in land conservation is all the more remarkable because the County of Fresno

## REPORT TO THE CITY COUNCIL

Workshop on Strategies for Imposing an Urban Boundary Growth Limit

March 9, 1999

Page 6

has approved considerable rural residential development *within* Fresno's Sphere of Influence. Land large amounts of land west of Highway 99 and within the McLane Plan's designated Agricultural Area have been (and continue to be) divided for small parcels of 2 and 5 acres, housing an average of less than two persons per acre.

At this juncture, the land included in the current Sphere of Influence for the City of Fresno is not projected to support the city's population growth over the next 20 years, hence the need for a General Plan Update to show new growth areas. Consideration of urban growth boundary limiting strategies is timely, since both Fresno County and the City are updating their General Plans. These General Plan Updates will have to delineate new urban growth areas, development policies, and infrastructure plans (with direction as to cost allocations).

### RECOMMENDATION

After reviewing the various strategies and current recommendations in the planning literature for controlling urban expansion, staff has found that the mix of strategies already employed in the Fresno-Clovis Metropolitan area have been fairly effective in providing limits on urban expansion of the City. Our existing strategies and agreements could be strengthened to improve cooperation and consistency between the City and surrounding jurisdictions. Staff recommends that the Council review these strategies and current agreements, and suggest ways in which they may be strengthened.

Staff recommends that the Council enter into discussions with the County of Fresno and the City of Clovis on possible enhancements to current growth limiting strategies. Any resulting improvements on the current urban growth boundary limit strategies should be integrated into, and environmentally assessed with, the City's General Plan Update.

One option is to locate new Urban/Agricultural reserve areas near the City fringe for future joint study and planning. Annexation referral policies may also be refined so that they ensure that urban-type developments within the City's growth boundary are annexed to the City and covered by all City plans, regulations and services.

Staff also recommends that Council, either on its own or jointly with the County of Fresno and the Council of Fresno County governments, enter into discussions with Madera County regarding urban growth limits. There are currently no regionally-developed growth control strategies in place, and no joint transportation planning efforts are occurring, between the City of Fresno/Fresno County and Madera County.

Attachments: Capsule summaries of existing and potential strategies for setting urban growth boundaries, comparing their program elements, benefits, and drawbacks

**COUNTY OF VENTURA**  
**"SAVE OPEN SPACE AND AGRICULTURAL RESOURCES (SOAR)" INITIATIVE**

**Adopted by:** Ballot initiative approved in 1997 by 63% of the voters in Ventura County. The text of the Initiative constituted the resulting Ordinance and an amendment to the 1988 Ventura County General Plan (as updated through 1997), limiting future General Plan Amendments relating to land designated for Agricultural, Open Space, and Rural [low-density residential/small farm] uses.

**Effective Term:** From certification of the fall, 1997 election until December 31, 2020

**Stated Purposes:** Preservation of agricultural land, open space, and rural land; preservation of agricultural activities by limiting urban encroachment and buffering farmland and open space from intensive urban uses.

**Mechanisms for Limiting Urban Expansion:**

Reinforcement of existing General Plan policies and land use designations for protected categories of lands (Agricultural, Open Space, Rural) by ordinance and by new General Plan policies limiting plan amendments to convert such lands. Public officials (elected, appointed, hired staff) are prohibited from approving plan amendments, rezonings, entitlements, discretionary and ministerial permits (including land divisions) that would conflict with these General Plan policies. Likewise, public officials are prohibited from allowing inconsistent development or land uses through inaction [i.e. through failure to abate violations].

General Plan amendments to change Agricultural, Open Space, and Rural land use designations and policies would have to be approved by a vote of the people (i.e., by other Ventura County ballot initiatives) after environmental analysis and at least one hearing before the Board of Supervisors.

Under certain conditions, a plan amendment to change protected land uses could be approved by the Board of Supervisors without a public election:

Land can be designated from urban or other uses to Agricultural, Open Space, or Rural.

Rural land can be designated to Agricultural or Open Space; Open Space can be designated to Agricultural.

Agricultural land can be designated to Open Space if the Board can make certain findings.

Agricultural, Open Space, and Rural land can be redesignated to reflect previously and lawfully established urban uses or building intensities [to make legally nonconforming uses and structures conform to the land use designation]. However, the redesignation would be to the minimum extent necessary to validate the pre-existing lawful uses.

Agricultural, Open Space, or Rural land can be redesignated to non-protected land uses if the County Counsel advises that the applied designation effects an unconstitutional taking of landowners' property. However, the new land use has to be as restrictive [of urban development] as possible (less restrictive only to the extent of avoiding the unconstitutional taking issue).

Land use designations may be changed for land within the Piru Redevelopment Area and for several Assessor's parcels within the unincorporated community of Piru.

## **VENTURA COUNTY/SOAR Ballot Initiative (continued)**

Additional protective policies can be added to the General Plan, and “nonsubstantive” changes in policies can be made, if consistent with the findings (purposes) of the initiative.

### **Other Relevant Background:**

Virtually identical ballot initiatives were approved in the Ventura County cities of Camarillo, Moorpark, Oxnard and Thousand Oaks (IMPORTANT).

Ventura County has a fairly mature and diversified economy of its own and is close to Los Angeles area employment opportunities for its residents.

Ventura County had already limited its General Plan Amendments to four per year.

### **Pros:**

Since most Agricultural, Open Space, and Rural land is located in the unincorporated area and is under the jurisdiction of Ventura County, the SOAR initiative has been adopted by an appropriate level of government. Its concurrent adoption by cities provides a “level playing field” between Ventura County and most cities in the county.

It allows the Board of Supervisors flexibility to deal with “takings” claims, legally established uses rendered nonconforming by General Plan land use designations, Piru and its redevelopment goals,

It had very broad-based community support for enactment, and provides for involvement of all County residents (all registered voters) in evaluating new urban development proposals.

It emphasizes use of the County’s General Plan as the main means of directing growth and evaluating growth proposals.

### **Cons:**

Not all Ventura County cities adopted SOAR-type ballot initiatives (Santa Paula did not, for instance). Those cities may continue to expand into surrounding agricultural, open space, and rural lands if Ventura County LAFCO approves expansions to their Spheres of Influence.

Plan amendments and related entitlements and annexations which would expand cities or create “new towns” or other urbanized areas in Ventura County will take much longer to process and will be much more expensive. The SOAR initiative did not detail who (or which agency) will pay the cost of special elections or general election ballot items requesting General Plan amendments. Costs could be considerable.

Requiring general or special elections in order to amend the General Plan and decide land use matters related to new areas of urbanization removes the authority of appointed and elected officials to make determinations.

Counties adjacent to Ventura are expected to absorb increased development levels to meet regional demand for housing and nonresidential development.



**CITIES OF CAMARILLO, MOORPARK, OXNARD, AND SIMI VALLEY**  
**(In Ventura County)**  
**“SAVE OPEN SPACE AND AGRICULTURAL RESOURCES (SOAR)” INITIATIVES**

**Adopted by:** Ballot initiatives approved in late 1997/early 1998 by voters in these cities. The text of the initiatives constituted city ordinances and amendments to their respective General Plans to do the following: establish City Urban Restriction Boundary (“CURB”) lines for each city; restrict urban services and infrastructure to the areas within the CURB lines; prohibit urban uses outside of the CURB lines (“urban uses” are defined as any development requiring sewer service or involving subdivision of land into parcels of less than 20 acres); reinforce General Plan protections for open space; and limit future General Plan Amendments relating to open space (agricultural, watershed land). Oxnard adopted a City Boundary Buffer (“CBB”), a greenbelt buffer outside of its CURB line. The city of Moorpark put a special one-time tax on the ballot to generate \$500,000 to deal with the legal challenges anticipated to come from approval and implementation of the SOAR initiative.

**Effective Term:** From certification of the cities’ elections until December 31, 2020

**Findings and Stated Purposes:**

Recognition that the cities are located in the midst of productive agricultural areas

Discouraging premature and unnecessary conversion of open space land to urban uses

Preserving open space, agricultural land (and agriculture), sensitive habitat, natural resources, and recreational opportunities outside of the CURB lines

Encouraging efficient growth patterns and meeting housing needs by directing growth to areas within CURB lines, where services and infrastructure are more efficiently available

Protecting water supplies and city quality of life and character by concentrating future development within, or adjacent to, existing urbanized areas

**Mechanisms for Limiting Urban Expansion:**

Establishment of CURB lines that are generally coterminous with the cities’ established Spheres of Influence (except that Camarillo included two more areas beyond its current Sphere, totaling 440 acres; Oxnard added three areas beyond its current Sphere, totaling 367 acres; and Simi Valley added five parcels totaling 175 acres beyond its current Sphere).

Reinforcement of existing policies and land use designations in the cities’ General Plans with respect to protecting certain categories of open space lands (agricultural, watershed) by general plan policy, by ordinance, and by delineating the CURB line as the boundary for urbanization. Public officials (elected, appointed, hired staff) are prohibited from approving plan amendments, rezonings, entitlements, discretionary and ministerial permits (including land divisions) outside the CURB lines or in conflict with General Plan policies. Likewise, public officials are prohibited from allowing such development or land uses through inaction [i.e. through failure to abate violations].

Expansions of the CURB lines and General Plan amendments affecting protected land would have to be approved by a vote of the people (City ballot initiative) after environmental analysis and a public hearing on any such proposal.

## **CITIES IN VENTURA COUNTY / SOAR Initiatives (continued)**

Under certain conditions, CURB line expansions and plan amendment to change protected land uses can be approved by City Councils without a vote of the people in those cities:

Additional protective policies can be added to General Plans, and "non-substantive" changes can be made in the cities' General Plans, if such changes are consistent with the findings (purposes) of the initiative.

Up to X acres per year (differs by city, two used 160 acres; Moorpark set no overall limit) can be brought within the CURB lines in order to comply with State housing law or to expand the cities for other development--after environmental analysis and public hearings--if the City Councils can make a series of restrictive findings.

CURB lines can be adjusted and urban development approved if the CURB line effects a taking of landowners' property requiring compensation. However, the new land use has to be as restrictive as possible (less restrictive only to the extent of avoiding the unconstitutional taking issue).

### **Other Relevant Background:**

A virtually identical ballot initiative was approved in the City of Thousand Oaks and in Ventura County (IMPORTANT). Camarillo's initiative required that County voters adopt SOAR in order for Camarillo's SOAR initiative to be effective.

### **Pros:**

Concurrent adoption of the SOAR initiative by Ventura County and other cities in the county provides a "level playing field" between Ventura County the other cities.

The initiatives had broad-based community support and will involve the cities' residents (voters) in evaluating new urban expansion proposals and related General Plan amendments.

The initiatives use General Plans as a means to direct growth and evaluate growth proposals.

The initiatives allows the City Councils flexibility to deal with "takings" claims and the mandates of State housing law.

The initiatives and make clear the specific factual findings which City Councils will have to make in order to expand CURB lines.

### **Cons:**

Not all Ventura County cities adopted SOAR ballot initiatives. Those cities may continue to expand into surrounding agricultural, open space, and rural lands (if Ventura County LAFCO approves expansions to their Spheres of Influence). Development may be comparably easier and less expensive in those cities which did not adopt SOAR, and growth may be redirected to them.

The SOAR initiative did not detail who (or which agency) will pay the cost of special elections or ballot items requesting General Plan amendments. Costs could be considerable.

Counties and cities adjacent to those having SOAR ordinances are expected to absorb increased development levels to meet regional demand for housing and nonresidential development.

Plan amendments and related entitlements involving city expansions will be much more time-consuming and expensive to process. Elected and appointed officials' authority in these matters is reduced.

## **STATE OF OREGON / PORTLAND URBAN GROWTH BOUNDARY PROGRAM**

**Adopted by:** State Senate Bill 100 established comprehensive statewide regulation of land use. Each of Oregon's 241 cities are required to be contained within an Urban Growth Boundary (UGB). Each UGB is proposed by a regional governing agency which includes representatives from city, county, service districts, and private citizens. [These agencies seem to function as a combination of a California county's LAFCO and Council of Governments.] In Portland, the regional agency is called "Metro." UGBs (and amendments thereto) are reviewed by the state's Department of Land Conservation & Development (DLCD) for consistency with applicable statewide planning goals that were formally adopted by the DLCD.

**Effective Term:** Senate Bill 100 passed in 1973. In 1974, the DLCD adopted its 19 statewide planning goals, including Goal No. 14 pertaining to UGBs. There have been subsequent legislative actions related to planning and development.

### **Findings and Stated Purposes:**

In adopting Senate Bill 100, Oregon's legislature recognized that agriculture, recreation, timber, watersheds, and fisheries were vital to supporting the state's economy and quality of life. Development of cities to house Oregon's population and serve as bases for industry was also recognized as vital to the state, but uncontrolled urbanization and housing development could threaten the other resources by sprawl, inappropriate land uses, and degradation of the environment. The legislature intended that city planning should be coordinated regionally and overseen by a State agency. The DLCD believes that maintaining urban growth boundaries has controlled the costs of public services and facilities, and has provided greater certainty for property owners inside and outside of UGBs.

### **Mechanisms for Limiting Urban Expansion:**

16 million acres (half the privately-owned land in the state) was zoned for exclusive agricultural use. 700,000 acres of already-divided farmland were set aside for rural housing/"hobby farms."

Each city in Oregon had to participate in a regional planning process and consultation with the DLCD for adoption of its initial UGB. UGBs can be expanded when a city demonstrates that its future population growth will create a need for additional land within its UGB, adequately evaluates alternatives for the amount and direction of expansion needed, and satisfies DLCD criteria for the UGB expansion. Between 1987 and 1990, 52 proposals to expand UGBs were approved in the state.

"Urban Growth Management Agreements" are formal agreements whereby an Oregon city and its surrounding county (or counties) formally agree on how to administer land use in areas that are inside the city's UGB but not yet annexed into the city. These agreements cover planning jurisdiction, zoning jurisdiction, interim land use controls, and standards for public services and facilities for the unincorporated land within the UGB.

Golf courses, churches, and schools can no longer be built on designated farmland. It is difficult to obtain a building permit for a house on agricultural land (the farm has to generate at least \$80,000/year in gross income from its agricultural activity to qualify for a home building permit. Once the home is built, there is no further farm income requirement).

While Oregon's statewide planning regulations constrain development by setting UGBs, several aspects of it favor development within those UGBs:

## **STATE OF OREGON / PORTLAND (continued)**

There is a presumption that all land within a UGB is buildable for urban development. Building moratoria can only be declared within UGBs due to unresolvable shortages in water, sewer, or transportation services. Such moratoria are required to have the least possible impact on housing and economic development, and can only last for two years.

Developers are given assurances of speedy decisions on their applications: generally, the applicant is required to be notified of the city's decision on a project within 120 days of filing an application. Applications for multi-family residential projects free of significant environmental impacts and having infrastructure and services in place must be decided upon within 63 days, with public hearings waived. Appeals of cities' land use decisions within UGBs are directed to a special land use hearing panel which must render its decision within 77 days. Appeals of decisions by this panel go directly to the Oregon Court of Appeals.

The greater Portland area has a Metropolitan Housing Rule, which requires local jurisdictions to zone property to provide for housing densities of 6, 8, or 10 units to the acre.

Portland's Metro agency has also adopted a "2040 Growth Concept" strategy to use land more efficiently within the UGB, by infill development of vacant property, allowing development of oversized home yards, funneling growth into rail and bus corridors, and redevelopment of vacant, contaminated industrial sites.

### **Other Relevant Background:**

Oregon's statewide agricultural economy has annual gross revenues of some \$3.5 billion (comparable to Fresno County's 1997 gross agricultural revenues).

The state continues to have a population boom, much of it in-migration to the Willamette Valley farming region in which Portland and the I-5 highway corridor is located. A recent survey in the Willamette Valley revealed that one in five respondents was "new to the area." 1.5 million new residents—equal to Portland's current population—are expected in the Willamette Valley in the next 40 years.

### **Pros:**

Sprawl around Oregon's cities has been contained, and farmland is being saved from urbanization. Over the next 20 to 40 years, Portland's growth is intended to be absorbed by an expansion of only 18,600 acres, only 5,000 of which is farmland.

Mass transit, including light rail, is feasible in the Portland metro area (though it requires some subsidization).

### **Cons:**

Senate Bill 100 has always been controversial. As population and development pressure increase, the debate over statewide planning control has gotten greater and more politicized. Its efficacy in protecting productive farmland is questioned, and its support for higher-density residential development causes backlash in established city neighborhoods.

The Oregon Farm Bureau estimates that 17,000 of the state's 37,500 farms are now "hobby farms," each generating less than \$10,000 of annual agricultural production. "Hobby farms" on nominally ag-zoned 20-acre parcels have proliferated 60% over the past decade.

Housing costs in Portland have spiraled. Once one of the more affordable large cities in the U.S., it now ranks among the 10 least-affordable housing markets. Between 1990 and 1996, housing costs doubled in the area, but income only increased some 25%. This is displacing lower-income households to other cities, to Washington County (in Oregon), and even to Clark County in Washington State, with increases in number and length of commute trips.

**POTENTIAL NEW STRATEGY: ALLOW FRESNO COUNTY TO DELINEATE  
THE CITY OF FRESNO'S NEW URBAN GROWTH BOUNDARY LIMIT  
THROUGH THE COUNTY'S GENERAL PLAN UPDATE**

The County of Fresno has already taken strong positions on expansion of the cities of Clovis and Fresno by estimating the allocation of future population and jobs in the respective cities. Population and job allocation estimates are being done for all cities in the County as part of the County General Plan Update's Economic Development Element, a new part of the County planning process. (Economic development elements are not among the General Plan elements required by state planning law chaptered into the California Government Code, but there is also no language in the Government Code prohibiting the addition of special-purpose elements to a General Plan.)

Pursuant to provisions in the 1993 Joint Resolution which allow the County to withhold approval of a revised Sphere of Influence for either city, the County has refused to allow Clovis to expand its Sphere to match its 1993 General Plan Update area of proposed urbanization. Clovis expended over \$2 million on preparing and adopting its General Plan Update and EIR, yet still cannot implement that new General Plan because there is no revised Sphere of Influence. Clovis has attempted to go directly to LAFCO with its Sphere expansion request, and the County has threatened litigation to enforce the provisions of the Joint Resolution.

In order to avoid this sort of wasteful impasse, processing of the City of Fresno's draft General Plan Update was halted for over two years so that a City Council subcommittee could meet with representatives from the County and Clovis in order to seek consensus on the amount and direction of future growth for Fresno.

It is unclear just how much authority the County will seek for setting urban growth boundary limits for its incorporated cities through the County General Plan Update. It is also unknown whether the County would support the urban growth boundary limits proposed in the City of Fresno's Draft 2020 General Plan Update Land Use Element. Pursuant to the Joint Resolution, the County has a great deal of authority in this matter with regard to Clovis and Fresno. This creates an option for the County to determine Fresno's future urban growth boundary limit.

**Potential Pros:**

Most productive farmland is located in unincorporated areas and mainly outside of cities' Spheres of Influence. Development in the unincorporated areas and areas outside of city Spheres is most threatening to agriculture. Fresno County General Plan land use designations and policies may best protect the productive farms in the County.

Fresno County has primary responsibility for evaluating, regulating, supporting, and protecting bona fide agricultural uses within its borders. It may be appropriate for the County to integrate the determination of urban boundary growth limits into its overall strategy of farmland protection. County planning determinations could provide a more regional approach to ag land conservation than 15 different approaches attempted by cities within the County.

Fresno County may be better positioned to negotiate with Madera County regarding how growth in either jurisdiction affects the other and impacts transportation routes connecting them.

The County would have to deal with legal challenges to limitations placed on land uses and any claims of "takings" from restricting urban expansion/development.

**POTENTIAL NEW STRATEGY: ALLOW FRESNO COUNTY TO DELINEATE  
THE CITY OF FRESNO'S NEW URBAN GROWTH BOUNDARY LIMIT (continued)**

**Potential Cons:**

The County could "go into the urban development business" and reserve for itself the right to extend urbanization around existing cities by creating "new towns" and other developments.

The County could delineate an urban growth boundary limit for Fresno that is too restrictive and winds up making an undesirable City environment (too much density, traffic congestion, overcrowded schools, etc.) and/or that drives development out of the City into more distant areas because the supply of developable, marketable land is so restricted. If regional air pollution is worsened by traffic congestion or increased commute trips, the City is more likely to be sanctioned by Clean Air Act regulations. (The EPA holds urbanized areas delineated in a *previous* decennial Census responsible for any *new* exceedances of carbon monoxide air quality standards. Newly populated development areas generating traffic and congestion don't show up in Census counts or EPA Urbanized Area maps until a decade or two after the air pollution is generated.)

The County could constrain Fresno's growth by setting urban boundary limits, but set no such limits for its smaller incorporated cities (Clovis, Selma, Fowler, Sanger, Reedley, Kerman, etc.). Over time, this could divert development from Fresno to those other cities, which are actually surrounded by productive farmland just as Fresno is. Not only would this worsen air pollution from more and longer commute trips, the added travel would occur on already-overburdened highways such as Freeway 99 or on underdeveloped State Routes and County roads that are only improved to rural standards. State Transportation and other road funds would have to be diverted away from the more urbanized areas in order to improve these roads to handle the additional travel.

The County could make conservation of prime farmland a single, paramount consideration in directing City growth, which would cause problems with other resources and service delivery considerations. Growth could be directed to areas having inherent resource constraints or service delivery problems, for instance: too little water resources to cost-effectively support development; hilly terrain that require sewer lift stations and increased O&M costs. The County could direct City growth to areas having too little major street capacity, requiring the City and/or its development project applicants to undertake a massive road-building program.

**FRESNO-CLOVIS METROPOLITAN AREA (FOCUS ON FRESNO)**  
**JOINT RESOLUTION ON METROPOLITAN PLANNING • URBAN/AG RESERVE AREAS •**  
**URBAN GROWTH MANAGEMENT (UGM FEE) PROGRAM • 1991 CITY-COUNTY MOU**

**Adopted by:** The Joint Resolution on Metropolitan Planning ("Joint Resolution") was an agreement ratified by the governing bodies County of Fresno, City of Fresno, and City of Clovis in 1983, during preparation of the last City of Fresno General Plan Update; its main feature was to set Urban Boundaries (UBs) within which the cities were to plan for urban growth. Urban and Agricultural Reserve areas have long been components of the City's planning program, and have been adopted by Council Resolution into various community plans and their updates. The City's Urban Growth Management (UGM) Ordinance was adopted by the Council in 1976. The City-County Memorandum of Understanding (MOU) on tax sharing, development/annexation, and redevelopment was entered by agreement and ratified by votes of City Council and Board of Supervisors.

**Effective Terms:**

The Joint Resolution contained forward commitments to re-examine and adjust city Sphere of Influence boundaries every 10 years and the UB was intended to serve until population of the Fresno-Clovis Metropolitan Area reached 588,000. The MOU was entered in 1991 and its term is set forth in Article VII of the Memorandum (land development and annexation provisions of the MOU are effective for 15 years from date of Memorandum execution). Urban and Agricultural Reserve areas are intended to remain in agricultural holding zones (per City policy and the Joint Resolution) until certain trigger points are reached to necessitate and support urban development of those areas. The UGM Ordinance allows for boundary and fee adjustments based on expansion of the urban area and on costs for major streets, sewer and water utilities, fire stations, and parks.

**Findings and Stated Purposes:**

The Joint Resolution deemed it in the public's interest that Fresno, Clovis, and Fresno County work cooperatively in matters related to urban growth and development in the FCMA, and that these entities administer government services in a prudent and efficient manner. Urban reserve areas set aside in various community plans are determined necessary in order to preserve agriculture and prevent premature and leapfrog urban growth (to maintain a compact urban form). The UGM program is based on the premise that new development at the City's fringe should pay the costs of the new streets, water mains, sewer lines, fire stations, and neighborhood parks which such urban growth needs in order to be served by the City. The MOU stated its purpose was to encourage timely economic development; protect the County's right to revenue generation from development within its jurisdiction; provide for environmentally sound land use planning, orderly development, and fiscally sound development; deliver services in a cost-effective and timely manner, and maintain and improve quality of life.

**Mechanisms for Limiting Urban Expansion:**

The Joint Resolution (copy attached) has numerous provisions relating to setting and adjusting, UBs, planning, zoning, annexation referrals, and development within and around the UBs. It stated that urban development and provision of urban services within the UBs were the province of the cities, and stated the County's support for urban unification (the County would not create new governmental entities within the cities' UBs and would support consolidation of existing special purpose districts (such as the County Waterworks Districts that were scattered throughout the Fresno Metropolitan Area).

Areas designated as Urban or Agricultural Reserve in community plans require Plan Amendments, rezonings, development of public service capacity, and further entitlements in order to be approved for urban development. They receive a high level of environmental review and often have considerable mitigation requirements imposed, plus the UGM fees. Annexation applications are typically required, subject to LAFCO policies and MOU criteria.

## **CITY OF FRESNO/ JOINT RESOLUTION•URBAN/AG RESERVES•UGM•MOU (continued)**

UGM fees are required to complete City infrastructure, provide fire stations, and provide neighborhood parks to serve fringe development. Not only does a fringe-area project have to provide improvements along its own major street frontage(s) and interior on the development site, but it must advance funding for logical completions off-site in its delineated area, and wait for subsequent development of that other land in order to be reimbursed. The MOU provides for County-approved urban projects within the UB to pay those fees.

The MOU also requires that the City consult with the County on proposals to amend plans or rezone for more intensive land uses within ½ mile of the existing City boundary, and that the City obtain Board of Supervisors approval for any plan amendment involving intensification of land use (and projects requiring annexation referral) within ¼ mile of the existing City boundary.

### **Other Relevant Background:**

Annexation rules require that only discretionary applications for urban development projects proposed within ½ mile of the existing City boundary have to be referred to the City. Even then, not all such properties are annexable under LAFCO standards (in that case, the application is referred back to the County for processing and the urban development project is not annexed). Since the County allows numerous uses in its agricultural zone districts, many intensive types of development projects are not considered "urban" under the Joint Resolution and MOU, and are never referred to the City for annexation and entitlement processing (e.g., the Rice Road Transfer Station in the Riverbottom, a recycling operation on some of the old Craycroft Brick property, and private schools, and numerous churches/temples). Furthermore, site plan reviews (for which Fresno County does no CEQA analysis) and County Director Review & Approval applications are not considered discretionary (but CUPs are). Tentative tract maps must be referred to the City for processing and annexation, but tentative parcel maps do not have to be referred.

Fresno County has designated areas around and inside the UBs for rural residential uses, and has allowed subdivision of small parcels (typically 2 to 5 acres) and "golf course" residential projects within the UBs. A great deal of the area west of Highway 99 has been affected by these subdivisions. A county plan amendment in the early 1980s allows for rural residential lots and developments to be created on any unincorporated land within City Spheres of Influence, including within the cities' Urban (or Agricultural) Reserve areas.

### **Pros:**

As reflected in the agenda report, since 1983 the City of Fresno has doubled its population while only increasing its incorporated area less than 5%. The City has achieved a population density equal to that of the largest U.S. cities.

Urban Reserve areas have been maintained at the fringes of the Edison, Fresno High-Roeding, McLane, and Woodward Park Community Plan areas, and the City has only entertained urban development applications in those Reserve areas when adequate sewer trunk capacity has been developed.

Development at the City's fringes has been constrained by the need to pay for all infrastructure, leading to a slowing of City expansion and a development rate commensurate with market demand. Developers appear to be coordinating their growth in order to share costs and have timely reimbursement of UGM fees advanced. The MOU obtains funding from County-approved urban development projects in the City Sphere of Influence to help pay those projects' fair share toward urban infrastructure and service capacity.



## **CITY OF FRESNO/ JOINT RESOLUTION•URBAN/AG RESERVES•UGM•MOU (continued)**

### **Cons:**

Most problems with the Joint Resolution relate to failure to carry out or enforce all its provisions:

Fresno County has separate and differing community plans that pertain to unincorporated areas within the City's UB (i.e., within the City Sphere of Influence). The County has used City EIRs for adopting its last two community plans (Woodward Park, Roosevelt), but has gone on record as stating it will not be bound by mitigation measures in those EIRs or by City policies in the community plans upon which those EIRs were based.

Not all provisions of the Joint Resolution were ever carried out, notably the County's commitment to rezone unincorporated areas within the Urban Boundaries to an AL-20 holding zone district. Recent Supreme Court decisions on regulatory takings make such a rezoning program less likely.

As noted above, the County has continued to process land use and development permits within the City's UB, and has made land use decisions and granted development approvals inside the UB contrary to provisions in the City's General and Community Plans. These land use decisions have generally been inimical to protecting agricultural land for crop production, and have not efficiently used that land for housing (rural residential parcels are very low density, housing an average of about 2 persons).

Small parcels and urban-type projects in the unincorporated fringes of the Sphere of Influence have made it difficult for developers to aggregate sufficient land and site urban-type projects. This development pattern has made it unlikely that a contiguous incorporated area boundary will be achievable within a 20-year horizon in County island areas and in fringe areas where County rural residential development has occurred.

Major street construction, intersection signalization, sidewalks, and drainage improvements are spotty in those areas. Since many improvements are done or funded at the time of development, premature development of unincorporated land means that there is no effective means to later get them done (Proposition 218 makes new assessment districts almost too difficult and expensive to create, even if they were allowed under Council policy).

Law enforcement response and services in, and around, County islands and fringe areas have suffered from confusing boundaries and jurisdictions. The County has no effective nuisance abatement programs commensurate with the Code Enforcement programs (such as weed abatement), and there is no semi-annual rubbish pick-up in the unincorporated area, leading to blight in some County islands and fringe areas.

Some Urban (Agricultural) Reserve areas have been aggressively urbanized due to market forces, and most are anticipated to be built-out in the next General Plan cycle (as depicted in the initiated draft Land Use Element of the General Plan Update). There is no legal mechanism to require that all non-Reserve areas be developed before Reserves are, but the City has tried to encourage infill projects by reducing entitlement application fees and guaranteeing more speedy permit processing in its designated Inner City Development Areas.

The main problem voiced with regard to the City's UGM program is that it has made new housing much less affordable. An oft-quoted claim is that over \$20,000 in development fees have to be paid for each new home. The actual figure varies, depending on lot size (larger--and fewer--lots increase UGM costs per lot) and how distant the subdivision is from the established infrastructure network. The City has taken steps to recover some infrastructure costs from other sources (e.g., litigation to require that the manufacturer of DBCP pesticide pay for wellhead treatment equipment), to adjust the UGM boundary, to allow for some deferral of UGM fees, to streamline UGM determinations with entitlements, and has initiated an audit of its UGM program and fees.

**RESOLUTION NO. 83-92**

**A RESOLUTION OF THE CITY OF FRESNO  
APPROVING THE JOINT RESOLUTION ON  
METROPOLITAN PLANNING**

WHEREAS, the Cities of FRESNO AND CLOVIS are municipal corporations in the State of California incorporated under the laws of said State with CLOVIS functioning under the general laws thereof and FRESNO being a Charter City, and the COUNTY OF FRESNO is a Charter County within the State of California; and

WHEREAS, it is deemed to be in the public interest that these three entities work cooperatively and agree to meet at least annually regarding matters related to urban growth and development in the Fresno-Clovis Metropolitan Area; and

WHEREAS, it is the intent of the Cities of Fresno and Clovis and the County of Fresno to administer local governmental services in a prudent and efficient manner; and

WHEREAS, the three agencies recognize that many of the actions described in this resolution will require amendments to their General Plans and that such amendments will be subject to the required environmental documentation and public hearing processes:

THEREFORE, BE IT RESOLVED THAT THE COUNTY OF FRESNO AND THE CITIES OF FRESNO AND CLOVIS AGREE THAT:

1. The Cities of Fresno and Clovis shall prepare General Plan updates for their planning areas within the proposed urban boundary shown on exhibit "A" (hereinafter referred to as the Urban Boundary), and Fresno County shall initiate an amendment to its General Plan to include that Urban Boundary. The final Urban Boundary shall be adopted as part of the required General Plan processes by each jurisdiction.

The Cities of Fresno and Clovis and the County of Fresno do hereby express their intention not to amend the final Urban Boundary unless there is agreement among the affected parties to the change; and

2. The Urban Boundary shall be reviewed and updated a minimum of ten years; and
3. The Cities of Fresno and Clovis and the County of Fresno have the primary responsibility for comprehensive planning within the Urban Boundary and as part of their planning process may choose to designate some areas within the Urban Boundary as appropriate for interim agriculture, rural density, or permanent open space; and
4. The Cities of Fresno and Clovis and the County of Fresno shall recommend to the Local Agency Formation Commission (LAFCO) that it adopt as its Sphere of Influence Line for the Cities of Fresno and Clovis a line coterminous with the Urban Boundary. Any changes resulting from the plan adoption process shall also be directed to LAFCO for similar action; and
5. The Urban Boundary shall be based on the accommodation of a population of 588,000 persons for the planned urban areas of Fresno and Clovis; and
6. The County of Fresno does hereby initiate for consideration during its first General Plan amendment cycle of 1983, an amendment to its General Plan to revise the Fringe Area Policies to restore the referral policy for the Cities of Fresno and Clovis; and
7. In order to promote increased efficiency and economy in the provision of Urban services and housing opportunity, and to conserve productive agricultural land, the County shall support the City-adopted land use plans within the Urban Boundaries of the Cities of Fresno and Clovis.

The Cities shall continue to make an effort to incorporate Fresno County land use policies for protection of agriculturally related industrial operations at the urban interface; and

9. Until the adoption of General Plan updates by the Cities of Clovis and Fresno, the County of Fresno expresses its intent that all unincorporated areas not designated urban or not having an urban zone

within the Urban Boundary shall be zoned AL-20 by the County of Fresno, and all properties zoned AE-20 shall retain those zones; and

10. The County shall institute procedures to amend the AL-20 zone district to eliminate those uses not compatible with the holding zone concept; and
11. Within the Urban Boundary and two miles beyond, each party to this agreement shall, in the early stages of preparation of land use and circulation proposals and General Plan amendments consult at the staff level in such fashion as to provide meaningful participation in the policy formulation process, and shall likewise consult on other policy changes which may have an impact on growth or the provision of urban services. Those parties shall also be given the opportunity to respond to the jurisdiction proposing the change before the final document is prepared for presentation to the hearing bodies; and
12. After the Cities of Fresno and Clovis adopt updated General Plans, the County shall initiate an amendment to the Fresno County General Plan to provide that the area planned by the Cities of Fresno and Clovis for eventual urban uses and currently designated on the County General Plan as rural residential shall be reserved for urban uses by the County be rezoning to agricultural zone districts. Further, the County hereby expresses its intent not to add additional or expand existing rural residential areas adjacent to the Urban Boundary without concurrence of the affected City; and
13. Within those areas currently designated as Rural Residential in the County General Plan and which fall within the Cities' Urban Boundary general or community plans shall be prepared by the Cities in cooperation with the County which address the retention of rural residential uses and/or the eventual conversion of that land to high density uses; and
14. Urban development and the provision of urban services within the Urban Boundaries shall be the responsibilities of the Cities of Fresno and Clovis; and
15. The County will support urban unification; to this end, the County shall oppose the creation of new governmental entities within the Urban Boundary and will support efforts to consolidate existing special purpose districts; and
16. The County of Fresno shall initiate proceedings to consider the dissolution of those County Water Works Districts for which the Board of Supervisors is the governing body that are situated within the Urban Boundary of the City of Fresno to thereby transfer such responsibility of providing water to that City; and
17. The Cities of Fresno and Clovis shall emphasize the inhabited annexation process and shall work with the established neighborhoods to encourage a negotiated unification of the existing urbanized area. Such a program shall stress the clarification and resolution of identified neighborhood concerns; and
18. For all annexations, the Cities of Fresno and Clovis shall provide to the property owners directly affected, an appropriate program which describes the service delivery program and the existing land use plan, including any proposed changes filed with the City or publicly proposed for the neighborhood; and
19. The City of Fresno shall consult with the County of Fresno at the staff level when developing proposed annexation boundaries, and such boundaries shall be configured to create logical annexations; and
20. The City of Fresno shall agree that, when an annexation is based on a County referral, the City will confine its request to that area necessary to establish legally required contiguity, or as required by LAFCO; and
21. The Cities of Fresno and Clovis shall request, jointly with the County, that LAFCO adopt a policy that that body will not consider requests to amend the Sphere of Influence unless the County and appropriate city or cities have agreed to the change; and
22. During the general plan update process the three agencies shall discuss the policy ramifications for major sewer facilities. Following the adoption of the general plans of the Cities of Fresno and Clovis, the two cities shall meet to work out a plan for the financing and construction of the Fowler sewer trunkline system of an alternative means of sewerage the northeastern portion of the planned urban area.

ATTEST:

*Ja. Becca K. Ryle*  
Jacqueline L. Ryle, City Clerk  
City of Fresno

*Daniel K. Whitehurst*  
Daniel K. Whitehurst, Mayor  
City of Fresno

ATTEST:

*Darlene Richards*  
Darlene Richards, Clerk  
Board of Supervisors

*Jeff Reich*  
Jeff Reich, Chairman  
Board of Supervisors

ATTEST:

*Michael Prandini*  
Michael Prandini, City Clerk  
City of Clovis

*Harry Armstrong*  
Harry Armstrong, Mayor  
City of Clovis

3/31/83

## CITY OF FRESNO URBAN LINE

